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MEMORANDUM OF ASSOCIATION
OF
The Osman Shahi Mills, Limited,
WITH
ARTICLES OF ASSOCIATION
AND
MANAGING AGENCY AGREEMENT
ANNEXED.

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Memorandum of Association

OF

The Osman Shahi Mills, Limited,

WITH

ARTICLES OF ASSOCIATION

AND

MANAGING AGENCY AGREEMENT

ANNEXED.

(Translation of a registration certificate of the Company written in Urdu)

Certificate in respect of registration of the Company issued from the office of the Registrar of the Joint Stock Companies of His Exalted Highness the Nizam's Dominions.

City of Hyderabad.

Serial No. (12)

Seal of the Registrar of the Joint Stock Companies of H. E. H. the Nizam's Dominions

I Hereby Certify that THE OSMAN SHAHI MILLS, LIMITED, has submitted its Memorandum of Association and has got the same registered under the Companies Act IV of the Fasli year 1320 of H.E.H. the Nizam's Dominions and that the said Company, as a Company, with its limited shares has been legally entered into the Register of the Joint Stock Companies. That is all.

Written on the 7th of Sherivar in the Fasli year 1331 (15 July 1922 A. D.)
at the City of Hyderabad, Saifabad.

(Sd.) MEER FAIZUR REHMAN,

Registrar of the Joint Stock Companies

of H. E. H. the Nizam's Dominions.

A true translation.

M. H. EFFENDI,

Translator, High Court,

Bombay.

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OF
The Osman Shahi Mills, Ltd.

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MEMORANDUM OF ASSOCIATION
OF
The Osman Shahi Mills, Limited.

- I. The name of the Company is "THE OSMAN SHAHI MILLS, LIMITED."
- II. The registered office of the Company will be established in Hyderabad (Deccan) in His Exalted Highness the Nizam's State. The Company will have a place of business in Bombay.
- III. The objects for which the Company is established are the following:—
 - (1) To take over and work and carry out the terms of the licenses granted by His Exalted Highness the Nizam's Government to Sir Fazulbhoy Currimbhoy for establishing cotton spinning, dyeing, bleaching and weaving mills at Nander and Latur, Warangal and Hingoli and to enter into the agreement the draft whereof has been prepared and endorsed for identification by Mr. J. K. Dadachanji which agreement is to be entered into between the Company and Sir Fazulbhoy Currimbhoy with or without modification.
 - (2) To carry on at Hyderabad (Deccan) and other places in the dominions of His Exalted Highness the Nizam of Hyderabad or elsewhere in India, or any where else the business of ginning and pressing cotton, manufacturing, bleaching, dyeing, printing, mercerising and selling yarn cloth and other fabrics made from raw cotton, jute, wool, and other suitable materials, and generally to carry on the business of cotton spinning and weaving mill proprietors in all their branches.
 - (3) To carry on all or any of the businesses following:—namely, cotton growers, and merchants, cotton spinners and doublers, flax,

hemp, and jute spinners, linen manufacturers, flax, hemp, jute and wool merchant, wool combers, worsted spinners, woollen spinners, yarn merchants, worsted stuff manufacturers, bleachers and dyers, and makers of vitriol, bleaching and dyeing materials and to purchase comb, prepare, spin, dye and deal in flax, hemp, jute, wool, cotton, silk and other fibrous substances, and to weave or otherwise manufacture, buy and sell and deal in linen, cloth and other goods and fabrics, whether textile frebled, netted or looped and to supply power.

- (4) To carry on business as manufacturers of chemicals and manures, distillers, dye makers, gas makers, metallurgists and chemical engineers, ship owners and charterers and carriers by land and sea, wharfingers, warehousemen, barge-owners, planters, farmers, and sugar merchants, timber merchants, saw-mill proprietors and timber growers, and to buy, sell, grow, prepare for the market, manipulate, import, export and deal in timber and woods of all kinds, and to manufacture and deal in articles of all kinds, in the manufacture of which timber or wool is used, and to buy, clear and plant and work timber estates, and so far as may be deemed expedient to carry on the business of general merchants; and to carry on or be interested in the businesses of Flour Mills proprietors, Pressing and Ginning Mills proprietors and Ice Manufacturers in all their branches.
- (5) To acquire by purchase, amalgamation, grant, concession, lease, license, barter or otherwise either absolutely or conditionally, and either solely or jointly with others, any houses, lands, farms, rights and privileges, water-rights, water works, wayleaves, and other works, privileges, rights and hereditaments and any tract or tracts of country in India or elsewhere together with such rights, concessions, grants, powers and privileges as may be agreed upon and granted by Government or the Rulers or owners, thereof; and to expend such sums of money as may be deemed requisite and advisable in the exploration, survey, farming and development thereof; and to acquire or to obtain rights over, be interested in, build, alter, construct, maintain, carry out, improve, work, control, manage, and regulate any tramways, railways, steam-boats, telephones, telegraphs, roads, tunnels, irrigation works,

canals, waterways, rivers, wharfs docks, harbour-works, and harbours, factories, warehouse and other works and conveniences which the Company may think conducive to any of its objects either by acquiring such properties outright or by acquiring the rights of others in, to and over them. And generally to acquire in India or elsewhere by purchase, lease or otherwise, for the purposes of the Company, and real or personal, immovable or movable property, rights, easements, privileges, licenses, concessions, patents, patent right, trade-marks, machinery, rollingstock, plant, utensils, accessories and stock-in-trade whatsoever and to contribute to and take part in the constructing, maintaining, carrying on, improving, working, controlling and managing any of such works or conveniences as aforesaid.

- (6) To acquire from any Sovereign, State or Authority, Supreme, Local or otherwise, any concessions, grants, decrees, rights, or privileges, whatsoever, which may seem to the Company capable of being turned to account and to work, develop, carry out, exercise and turn to account the same.
- (7) To carry on any other business (whether manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
- (8) To acquire and undertake the whole or any part of the business property and liabilities of any person or company carrying on any business which the Company is authorised to carry on, or possessed of property suitable for the purpose of this Company.
- (9) To apply for, purchase, or otherwise acquire any patents, brevets d'invention, licenses, concessions and the like conferring any exclusive or limited right to use, or any secret or other information as to any intention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licenses in

respect of, or otherwise turn to account the property rights or information so acquired.

- (10) To enter into partnership or into any arrangement for sharing profits, union of interests, co-operation, joint adventure, reciprocal concession, or otherwise with any person or Company carrying on or engaged in, or about to carry on, or engage in, any business or transaction which this Company is authorised to carry on or engage in, or any business or transaction capable of being conducted so as directly or indirectly to benefit this Company. And to take or otherwise acquire shares and securities of any such company and to sell, hold, re-issue with or without guarantee, or otherwise deal with the same.
- (11) To take or otherwise acquire and hold shares in any other company having objects altogether or in part similar to those of this Company, or carrying on any business capable of being conducted so as directly or indirectly to benefit this company.
- (12) To enter into any arrangements with any Government, States, Authorities, Railway, Municipal or otherwise, that may seem conducive to the Company's objects or any of them and to obtain from any such Government, States and Authorities, any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out, exercise and comply with any such arrangements, rights, privileges and concessions.
- (13) To establish and support or aid in establishment and support of associations, institutions, funds, trusts and conveniences calculated to benefit employees or ex-employees of the Company or the dependents or connections of such persons and to grant pensions, bonus, allowances and to make payments towards insurances and to subscribe or guarantee money for charitable or benevolent objects or for exhibition or for any public, general or useful object.
- (14) To promote any company or companies for the purpose of acquiring all or any of the property and liabilities of this Company, or for any other purpose which may seem directly or indirectly calculated to benefit this Company.

- (15) Generally to purchase, take on lease or in exchange hire or otherwise acquire any real and personal property and any rights or privileges which the Company may think necessary or convenient for the purposes of its business, and in particular any land, buildings, easements, machinery, plant, and stock-in-trade.
- (16) To construct, maintain and alter any buildings, or works, necessary or convenient for the purposes of the Company.
- (17) To construct, improve, maintain, develop, work, manage, carry out, or control any roads, ways, tramways, railways, branches or sidings, bridges, reservoirs, water-courses, wharves manufactories, ware-houses, electric-works, shops, stores, and other works and conveniences]which may seem calculated directly or indirectly to advance the Company's interests and to contribute to, subsidise, or otherwise, assist or take part in the constructions, improvement, maintenance, working, management, carrying out, or control thereof.
- (18) To invest and deal with the moneys of the Company not immediately required in such manner as may from time to time be determined.
- (19) To receive moneys on deposit, account current or otherwise with or without allowance of interest.
- (20) To lend money to such persons and on such terms as may seem expedient and in particular to customers and others having dealings with the Company, and to guarantee the performance of contracts by any such persons.
- (21) To borrow or raise or secure the payment of money in such manner as the Company shall think fit and in particular by the issue of debentures or debenture stock, perpetual or otherwise, charged upon all or any of the Company's property (both present and future) including its uncalled capital, and to purchase, redeem or pay off any such securities.
- (22) To remunerate any person or company for services rendered, or to be rendered, in placing or assisting to place or guaranteeing the placing of any of the shares in the Company's capital, or any

debenture stock or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business.

- (23) To draw, make, accept, indorse, discount, execute and issue promissory notes, bill of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments.
- (24) To sell or dispose of the undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, debentures or securities of any other company having objects altogether or in part similar to those of this Company.
- (25) To obtain any provisional order or act of legislature for enabling the Company to carry any of its objects into effect or for effecting any modification of the Company's constitution, or for any other purposes, which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
- (26) To procure the Company to be registered or recognised in any place in India or in any foreign country or place.
- (27) To sell, improve, manage, develop, exchange, lease, mortgage, dispose of, turn to account or otherwise deal with, all or any of the property and rights of the Company.
- (28) To amalgamate with any other company having objects altogether or in part similar to those of this company.
- (29) To distribute any of the property of the Company in specie among the members.
- (30) To do all or any of the above things in any part of the world and as principals, agents, contractors, trustees, or otherwise, and by or through trustees, agents or otherwise and either alone or in conjunction with others.
- (31) To do all such other things as are incidental or conducive to the attainment of the above objects.

And it is hereby declared that the word "Company" in this clause shall be deemed to include any partnership or other body of persons, whether incorporated, or not incorporated and whether domiciled in British India or elsewhere, and the intention is that the objects specified in each paragraph of this clause shall, except where otherwise expressed in such paragraph, be in no wise limited or restricted by reference to or interference from the terms of any other paragraph or the name of the Company.

IV. The liability of the members is limited.

V. The capital of the Company is British Government Rupees One Crore divided into 1,00,000 shares of British Government Rs. 100 each with power to divide the shares in the capital for the time being into several classes and to attach thereto any preferential, deferred, qualified or special rights, privileges or conditions.

VI. Messrs. Currimbhoy Ebrahim and Sons, Limited, and their successors in business are hereby appointed agents of the Company* in terms of the agreement draft whereof has been prepared and for the purpose of identification has been endorsed with the signature of Mr. J. K. Dadachanji, Solicitor of the High Court of Bombay, which Agreement is to be entered into between the Company and the said Messrs. Currimbhoy Ebrahim and Sons, Limited, with or without modification; And it is hereby expressly provided and declared that in consideration of the services rendered by them in promoting this Company, the appointment of the said Messrs. Currimbhoy Ebrahim and Sons, Limited, shall not at any time hereafter during the period of the said agreement be revoked or cancelled on any ground or for any reason whatever save and except their being found guilty of misconduct or fraud in the management and discharge of their duties as such agents of the Company.

We the several persons whose names and addresses are subscribed hereto are desirous of being formed into a company, in pursuance of this Memorandum of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

Dated this 4th day of July 1922.

Corresponding with 29th Amardad 1331 F.

* The Industrial Trust Fund, H. E. H. The Nizam's Government, have since been appointed Agents of the Company, as set out in the relative Agreement printed elsewhere in this volume.

Names of Subscribers	Addresses and descriptions of Subscribers	Number of Shares taken by each Subscriber	Witnesses.
Jamsetji Ardesir Wadia.	Malabar Hill, Bombay.	Fifty only.	Hormusji J. Bharucha. Ranjit Maganlal.
Purshotamdas Thakoredas.	Malabar Hill, Bombay.	Fifty only.	
Mahomedbhoy Currimbhoy.	Warden Road, Bombay.	Fifty only.	
Fazulbhoy Currimbhoy.	Pedder Road, Bombay.	Fifty only.	
Ahmed Currimbhoy.	Culfe Parade, Bombay.	Fifty only.	
F. E. Dinshaw.	Solicitor, Pawai Road, Bombay.	Fifty only.	
Habib Currimbhoy.	Cooperage, Bombay.	Fifty only.	

ARTICLES OF ASSOCIATION
OF
The Osman Shahi Mills, Limited.

I.—PRELIMINARY.

1. The marginal notes hereto shall not affect the construction hereof. In these presents, unless there be something in the subject or context inconsistent therewith :—

Interpretation

“The office” means the registered office for the time being of the Company.

“The register” means the register of members to be kept pursuant to the Hyderabad Companies Act, 1320 F.

“Dividend” includes bonus.

“In writing” and “written” include printing, lithography, and other modes of representing or reproducing words in a visible form.

Words importing the singular number only include the plural number and *vice versa*.

Words importing the masculine gender only include the feminine gender.

Words importing persons include corporations.

2. The regulations contained in part 1 of Schedule A to the Hyderabad Companies Act 1320 F. shall not apply to the Company.

Table A not to apply.

3. The Company shall enter into the following Agreements :—

Company to enter into agreements.

(a) The agreement mentioned in paragraph (1) of clause III of the Company's Memorandum of Association.

(b) An agreement between the Company of the one part and Messrs. Currimbhoy Ebrahim and Sons Limited of the other part in terms of the draft hereinafter referred to, whereby the Company will appoint Messrs. Currimbhoy Ebrahim and Sons, Limited, the Agents of the Company for the period, upon the terms and at the remuneration therein provided.*

* See footnote on page 7 regarding Agents.

Agreements to be
sealed by the
Company.

4. The drafts of the two agreements specified in the last preceding article have been prepared, and for the purpose of identification, copies thereof have respectively been endorsed with the signature of Mr. J. K. Dadachanji, an Attorney of the Bombay High Court, and the Directors shall forthwith after the incorporation of the Company affix the seal of the Company to the said Agreements, but shall have power to agree to any modification of the terms of both or either of the documents, whether before or after the execution thereof. The Company is formed on the basis that the said agreements shall be entered into with or without modification and no objection shall be taken to the said agreements nor shall any promoter or director be liable to account to the Company for any profit or benefit derived by him under the said agreements by reason of any promoters or directors of the Company being vendors to the Company or interested in the firm of Agents to the Company or by reason of the purchase consideration having been fixed by the vendors without any independent valuation having been made or of the board of directors not being in the circumstances an independent board; but every member of the Company, present and future, shall be deemed to have notice of the provisions of the said agreements and to have assented to all the terms thereof.

Company's
shares not to be
purchased.

5. None of the funds of the Company shall be employed in the purchase of shares of the Company.

Allotment of
share.

6. Subject as aforesaid the shares shall be under the control of the directors who may allot or otherwise dispose of the same to such persons, on such terms and conditions, and at such times, as the directors think fit, and with full power to give to any person the call of any shares either at par or at a premium, and for such time and for such consideration as the directors think fit. With the sanction of a general meeting shares in the initial capital may be issued with any preferential rights attached thereto.

7. As regards all allotment from time to time made the directors shall follow the procedure laid down in Section 104 of the Indian Companies Act, 1913.

8. If the Company shall offer any of its shares to the public for subscription :—

(a) The directors shall not make any allotment thereof unless and until at least ten per cent. of the shares so offered shall have been subscribed, and the sums payable on application shall have been paid to and received by the Company; but this provision is no

longer to apply after the first allotment of shares offered to the public for subscription has been made.

- (b) The amount payable on application on each share so offered shall not be less than five per cent. of the nominal amount of the share.

And if the Company shall propose to commence business on the footing of a statement in lieu of prospectus the directors shall not make any allotment of shares unless seven at least shall have been subscribed for on a cash footing.

9. The Company may at any time pay a commission to any person for subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in the Company or procuring or agreeing to procure subscriptions (whether absolute or conditional) for any shares in the Company but so that if the commission shall be paid or payable out of capital the statutory conditions and requirements shall be observed and complied with and the commission shall not exceed five per cent. on the shares in each case subscribed or to be subscribed.

Commission, for placing shares.

10. The Company may make arrangements on the issue of shares for a difference between the holders of such shares in the amount of calls to be paid and the time of payment of such calls.

Shares may be issued subject to different conditions as to calls, etc.

11. If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by instalments every such instalment shall when due be paid to the Company by the person who for the time being shall be the registered holder of the share.

Instalments on shares to be duly paid.

12. The joint holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares.

Liability of joint holders of shares.

13. Save as herein otherwise provided the Company shall be entitled to treat the registered holder of any share as the absolute owner thereof and accordingly shall not, except as ordered by a Court of competent jurisdiction or as by statute required, be bound to recognise any equitable or other claim to or interest in such share on the part of any other person.

Trusts not recognised.

14. No member who shall change his name or address or who being female shall marry or the husband of any such last mentioned member respectively shall be entitled to recover any dividend or to vote until notice of the change of name or address or of marriage be given to the Company in order that the same be registered.

Notice of change of name or address or of marriage of member.

II.—CERTIFICATES.

Certificates.

15. The certificates of title to shares shall be issued under the seal of the Company and signed by one director and countersigned by the Agents or some other person appointed by the directors. The Company shall have twelve months' time from the date of allotment to complete and have ready for delivery the certificates of shares.

Member's right to

16. Every member shall be entitled to one certificate for all the shares registered in his name. Every certificate of shares shall specify the number and denoting numbers of the shares in respect of which it is issued and the amount paid up thereon. For any further certificates the director shall be entitled but shall not be bound to prescribe a charge not exceeding one Rupee.

As to issue of new certificate in place of one defaced, lost or destroyed

17. If any certificate be worn out, defaced, destroyed or lost or if there is no further space on the back thereof for endorsements of transfer it may be renewed or replaced on payment of such sum not exceeding one rupee, as the directors may from time to time prescribe. Provided however that such new certificate shall not be granted except upon delivery up of the worn out or defaced or used up certificate for the purpose of cancellation or upon proof of destruction or loss to the satisfaction of the directors and on such indemnity as the directors deem adequate in the case of the certificate having been destroyed or lost. Any renewed certificate may be marked as such.

To which of joint holders certificate to be issued

18. The certificate of shares registered in the names of two or more persons shall unless otherwise directed by them be delivered to the person first named on the register.

III.—CALLS.

Calls.

19. The directors may from time to time make such calls as they think fit upon the members in respect of all moneys unpaid on the shares held by them respectively and not by the conditions of allotment thereof made payable at fixed times and each member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the directors. A call may be made payable by instalments.

When call deemed to have been made.

20. A call shall be deemed to have been made at the time when the resolution of the directors authorising such call was passed.

Notice of call.

21. Fourteen days' notice of any call shall be given specifying the time and place of payment and to whom such call shall be paid.

When interest on call or instalment payable.

22. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof the holder for the time

being of the share in respect of which the call shall have been made or the instalment shall be due shall pay interest for the same at the rate of Rupees nine per cent. per annum from the day appointed for the payment thereof to the time of the actual payment or at such other rate as the directors may determine.

23. The provisions of these articles as to payment of interest shall apply in the case of non-payment of any sum which by the terms of the issue of a share becomes payable at a fixed time whether on account of the amount of the share or by way of premium as if the same had become payable by virtue of a call duly made and notified.

Sums payable at fixed times, to be treated as calls.

24. On the trial or hearing of any action for the recovery of any money due for any call it shall be sufficient to prove that the name of the member sued is entered in the register as the holder or one of the holders of the shares in respect of which such debt accrued, that the resolution making the call is duly recorded in the minute book and that notice of such call was duly given to the member sued in pursuance of these presents and it shall not be necessary to prove the appointment of the directors who made such call nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

Evidence in action for call.

25. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the company in respect of his shares either by way of principal or interest nor any indulgence granted by the company in respect of the payment of any such money shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

Partial payment not to preclude forfeiture.

26. The directors may, if they think fit, receive from any member willing to advance the same and either in money or moneys worth all or any part of the capital due upon the shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate as the member paying such sum in advance and the directors agree upon.

Payment of calls in advance

VI.—FORFEITURE AND LIEN

27. If any member fails to pay any call or instalment on or before the day appointed for the payment of the same the directors may at any time thereafter during such time as the call or instalment remains unpaid serve a

If call or instalment not paid notice may be given.

notice on such member requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of notice

28. The notice shall name a day and a place or places on and at which such call or instalment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time and at the place appointed the shares in respect of which the call was made or instalment is payable will be liable to be forfeited.

If notice not complied with shares may be forfeited.

29. If the requisitions of any such notice as aforesaid are not complied with any shares in respect of which such notice has been given may at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof be forfeited by a resolution of the directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

Forfeited share to become property of Company.

30. Any share so forfeited shall be deemed to be the property of the Company and the directors may sell, re-allot or otherwise dispose of the same in such manner as they think fit.

Power to annul forfeiture

31. The directors may at any time before any shares so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as they think fit

Amount to be paid notwithstanding forfeiture

32. Any member whose shares have been forfeited shall notwithstanding, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of forfeiture, until payment at 9 per cent. per annum and the directors may enforce the payment thereof if they think fit.

Company's lien on shares

33. The Company shall have a first and paramount lien upon all the shares registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for his debts liabilities and engagements solely or jointly with any other person to or with the company whether the period for the payment fulfilment or discharge thereof shall have actually arrived or not and no equitable interest in any share shall be created except upon the footing and condition that clause 13 hereof is to have full effect and such lien shall extend to all dividends from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company's lien if

any on such shares. The directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

34. For the purpose of enforcing such lien the directors may sell the shares subject thereto in such manner as they think fit but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member, his heirs, executors or administrators and default shall have been made by him or them in the payment or fulfilment or discharge of such debts liabilities or engagements for seven days after such notice.

As to enforcing
lien by sale

35. The net proceeds of any such sale shall be applied in or towards satisfaction of the said debts, liabilities or engagements and the residue (if any) paid to such member, his heirs, executors, administrators or assigns.

Application of
proceeds of sale.

36. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the directors may cause the purchaser's name to be entered in the register in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings or to the application of the purchase money and after his name has been entered in the register in respect of such shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

Validity of sales
under clauses 30
and 34

37. The provisions of those articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of the issue of a share becomes payable at a fixed time whether on account of the amount of the shares or by way of premium as if the same had been payable by virtue of a call duly made and notified.

Application of for-
feiture provisions

V.—TRANSFER AND TRANSMISSION.

38. The instrument of transfer of any share shall be signed both by the transferor and transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee is entered in the register in respect thereof.

Execution of
transfer.

39. The instrument of transfer of any share shall be in writing in the following form or as near thereto as circumstances will admit.

Form of transfer

I, A. B., of _____ in consideration of the sum of
Rupees _____ paid to me by C. D., of
hereinafter called the said transferee do hereby transfer to the said
transferee _____ share (or shares) numbered _____

in the undertaking called the Limited TO
 HOLD unto the said transferee, his executors, administrators and assigns sub-
 ject to the several conditions on which I held the same immediately before
 the execution hereof and I the said transferee do hereby agree to take the
 said share (or shares) subject to the conditions aforesaid.

As witness our hands the day of 19 .
 Witness to the signature of etc.

Directors may de-
 cline to register
 transfer.

40. The directors may at any time in their absolute and uncontrolled discretion and without assigning any reason decline to register any proposed transfer of shares. This clause shall apply also to a case where the proposed transferee is already a member.

No transfer to in-
 fant, etc

41. No transfer shall be made to an infant or person of unsound mind.

Transfer to be
 left at office and
 evidence of title
 given.

42. Every instrument of transfer shall be left at the office for registra-
 tion accompanied by the certificate of the shares to be transferred and such
 other evidence as the Company may require to prove the title of the trans-
 feror or his right to transfer the share.

When transfer to
 be retained.

43. All instruments of transfer which shall be registered shall be re-
 tained by the Company but any instrument of transfer which the directors
 may decline to register shall be returned to the person depositing the same.

Fee on transfer.

44. A fee not exceeding one rupee may be charged for each share
 transferred and shall if required by the directors be paid before the regis-
 tration thereof.

When transfer
 books and register
 may be closed.

45. The transfer books and register of members may be closed during
 such time as the directors think fit not exceeding in the whole 30 days in
 each year.

Share of deceased
 member.

46. The executor or administrator of a deceased member (whether a
 European, Hindoo, Mahomedan, Parsee or otherwise) shall be the only
 person recognised by the Company as having any title to his share except in
 cases of joint holders in which case the surviving holder or holders or the exe-
 cutor or administrator of the last surviving holder shall be the only person
 entitled to be so recognised but nothing herein contained shall release the
 estate of a deceased joint holder from any liability in respect of any share
 jointly held by him. The Company shall not be bound to recognise such
 executor or administrator unless he shall have obtained probate or letters of
 administration or other legal representation, as the case may be, from a duly
 constituted Court in the Dominions of H. E. H. The Nizam or in British

India or from any Court or authority authorised by any Act of the Legislative Council of India or by any order or Notification of the Governor General in Council to grant such probate or letters of administration. Provided nevertheless that in special cases and in such only it shall be lawful for the directors to dispense with the production of probate or letters of administration or such other legal representation upon such terms as to indemnity or otherwise as to the directors may seem meet.

47. Any person becoming entitled to shares in consequence of the death or bankruptcy of any member upon producing such evidence that he sustains the character in respect of which he proposes to act under this clause or of his title as the directors think sufficient may with the consent of the directors (which they shall not be under any obligation to give) be registered as a member in respect of such shares or may subject to the regulations as to transfers herein before contained transfer such shares. This clause is hereinafter referred to as "the transmission clause."

As to transfer of share of deceased or bankrupt members,

Transmission clause

VI—INCREASE AND REDUCTION OF CAPITAL.

48. The directors may from time to time increase the capital by the creation of new shares of such amount as may be deemed expedient.

Power to increase capital.

49. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the directors shall determine and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a special or without any right of voting.

On what conditions new shares may be issued.

As to preferences, &c.

50. The Company may before the issue of any new shares determine that the same or any of them shall be offered in the first instance and either at par or at a premium to all the then members or any class thereof in proportion to the amount of the capital held by them or make any other provisions as to the issue and allotment of the new shares, but in default of any such determination or so far as the same shall not extend the new shares may be dealt with, as if, they formed part of the shares in the original ordinary capital.

When to be offered to existing members

51. Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered part of the original ordinary capital and shall be subject to the provisions herein contained with reference to the payment of calls and instalments, transfer and transmission, forfeiture, lien, voting and otherwise.

How far new shares to rank with shares in original capital.

Reduction of
capital, &c

52. The Company may from time to time by special resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or reducing the liability on the shares or otherwise as may seem expedient and capital may be paid off upon the footing that it may be called up again or otherwise and paid up capital may be cancelled as aforesaid without reducing the nominal amount of the shares by the like amount to the intent that the unpaid and callable capital shall be increased by the like amount.

VII—SUB-DIVISION AND CONSOLIDATION OF SHARES

Sub division and
consolidation of
shares.

53. The Company may also by special resolution sub-divide or by ordinary resolution consolidate its shares or any of them.

Sub-division into
preferred and ordinary

54. The special resolution whereby any share is sub-divided may determine that as between the holders of the shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend capital voting or otherwise over or as compared with the other or others.

VIII.—MODIFICATION OF RIGHTS

Power to modify
rights

55. Whenever the capital by reason of the issue of preference shares or otherwise is divided into different classes of shares all or any of the rights and privileges attached to each class may be modified, commuted, affected, abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by the holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by an extraordinary resolution passed at a separate general meeting of the holders of shares of that class and all the provisions hereinafter contained as to general meeting shall *mutatis mutandis* apply to every such meeting but so that the quorum thereof shall be members holding or representing by proxy one-fifth of the nominal amount of the issued shares of the class. This clause is not to derogate from any power the Company would have had if this clause were omitted.

IX—BORROWING POWERS.

Power to borrow.

56. The directors may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company,

57. The directors may raise or secure the payment or repayment of such sum or sums in such manner and upon such terms and conditions in all respects as they think fit and in particular by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Conditions on which money may be borrowed

58. Debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.

Securities may be assignable free from equities

59. Any debentures, debenture stock, bonds or other securities may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings, allotment of shares, attending and voting at general meetings of the Company, appointment of directors and otherwise.

Issue at discount &c or with special privileges

X.—MEETINGS.

60. The statutory meeting of the Company shall as required by Section 75 of the Hyderabad Companies Act 1920 F. be within a period of 6 months from the date at which the Company be entitled to commence business and at such place as the directors may determine.

The statutory meeting

61. Other general meetings shall be held once in the year 1922 and in every subsequent year at such time and place as may be prescribed by the Company in general meeting and if no other time or place is prescribed at such time and place as may be determined by the directors. The first of such general meetings may be held on the same day as the statutory meeting.

When subsequent general meeting to be held.

62. The general meetings referred to in the last preceding clause shall be called ordinary meetings all other meetings of the Company shall be called extraordinary meetings.

Distinction between ordinary and extraordinary meeting

63. The directors may, whenever they think fit, and they shall on the requisition of the holders of not less than one-tenth of the issued capital of the Company upon which all calls or other sums then due have been paid, forthwith proceed to convene an extraordinary general meeting of the Company and in the case of such requisition the procedure laid down in Section 78 of the Hyderabad Companies Act 1913 shall be followed. If at any time there are not in Bombay and Hyderabad sufficient directors capable of acting to form a quorum any directors may convene an extraordinary general meeting in the same manner as nearly as possible as that in which meetings may be convened by the directors.

When extraordinary meetings to be called,

Requisition

Notice of meeting

64. Seven clear days' notice to the members specifying the place, day and hour of meeting and in case of special business the general nature of such business shall be given either by advertisement or by notice sent by post or otherwise served as hereinafter provided and with the consent in writing of all the members a meeting may be convened by a shorter notice and in any manner they think fit.

Two meetings convened by one notice

65. Where it is proposed to pass a special resolution the two meetings may be convened by one and the same notice and it is to be no objection to such notice that it only convenes the second meeting contingently on the resolution being passed by the requisite majority at the first meeting.

A. to omission to give notice

66. The accidental omission to give any such notice to any of the members shall not invalidate any resolution passed at any such meeting.

XI.—PROCEEDINGS AT GENERAL MEETINGS.

Business of ordinary meeting

67. The business of an ordinary meeting other than the first one shall be to receive and consider the profit and loss account, the balance sheet and the reports of the directors and of the auditors to elect directors and other officers in the place of those retiring by rotation to declare dividends and to transact any other business which under these presents ought to be transacted at an ordinary meeting. All other business transacted at an ordinary meeting and all business transacted at an extraordinary meeting shall be deemed special.

Special business.

Quorum.

68. Three members personally present shall be a quorum for a general meeting, for the choice of chairman, the declaration of a dividend and the adjournment of the meeting. For all other purposes the quorum for a general meeting shall be members personally present not being less than five in number.

Quorum to be present when business commenced.

69. No business shall be transacted at any general meeting unless the quorum requisite shall be present at the commencement of the business.

Chairman of general meeting

70. The Chairman of the directors shall be entitled to take the chair at every general meeting or if there be no such chairman or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting the members present shall choose another director as chairman and if no director be present or if all the directors present decline to take the chair then the members present shall choose one of their number to be chairman.

71. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon such requisition as aforesaid shall be dissolved; but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, and if at such adjourned meeting a quorum is not present those members who are present shall be a quorum and may transact the business for which the meeting was called.

When if quorum not present meeting to be dissolved and when to be adjourned

72. Every question submitted to a meeting shall be decided in the first instance, by a show of hands and in the case of an equality of votes the chairman shall, both on a show of hands and at a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.

How question to be decided at meetings

73. At any general meeting, unless a poll is demanded, in the case of a special or extraordinary resolution by at least five persons entitled to vote or in any other case by the chairman or by at least five members or by a member or members holding or representing by proxy or entitled to vote in respect of at least one-tenth part of the capital represented at the meeting, a declaration by the chairman that a resolution has been carried or carried by a particular majority or lost or not carried by a particular majority and an entry to that effect in the book of proceedings of the Company, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

What is to be evidence of the passing of a resolution where poll not demanded

74. If poll is demanded as aforesaid, it shall be taken in such manner and at such time and place as the chairman of the meeting directs and either at once or after an interval or adjournment, or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand of a poll may be withdrawn.

Poll.

75. The chairman of a general meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Power to adjourn general meeting.

76. Any poll duly demanded on the election of a chairman of a meeting, or on any question of adjournment, shall be taken at the meeting and without adjournment.

In what cases poll taken without adjournment.

77. The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.

Business may proceed notwithstanding demand of poll

Chairman's decision conclusive,

78. The chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

XII.—VOTES OF MEMBERS.

Votes of members.

79. Upon show of hands every member present in person shall have one vote, and upon a poll every member present in person or by proxy shall have one vote for every share held by him. Where a corporation being a member is present by a proxy who is not a member, such proxy shall be entitled to vote for such corporation on a show of hands.

Votes in respect of shares of deceased and bankrupt members.

80. Any person entitled under the transmission clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the directors of his right to transfer such shares, or the directors shall have previously admitted his right to vote at such meeting in respect thereof.

Joint holders.

81. Where there are joint registered holders of any share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto, and if more than one of such joint holders be present at any meeting, personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share, shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall for the purposes of this clause be deemed joint holders thereof.

Proxies permitted.

82. Votes may be given either personally or by proxy.

Instrument appointing a proxy to be in writing.

83. The instrument appointing a proxy shall be in writing, under the hand of the appointer or of his attorney or if such appointer is a corporation, under its common seal and shall be attested by one or more witnesses. No person shall be appointed a proxy who is not a member of the Company and qualified to vote, save that a corporation being a member of the Company may appoint as its proxy one of its officers, though not a member of the Company.

And to be deposited at office.

84. The instrument appointing a proxy and the power of attorney, if any, under which it is signed, shall be deposited at the office not less than forty-eight hours before the time for holding the meeting or adjourned meeting or taking of the poll, at which the person named in such instrument pro-

poses to vote but no instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution.

85. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death of the principal or revocation of the proxy, or transfer of the share in respect of which the vote is given, provided no intimation in writing of the death, revocation, or transfer shall have been received at the office before the meeting.

When vote by proxy valid though authority revoked.

86. Every instrument of proxy, whether for a specified meeting or otherwise, shall, as nearly as circumstances will admit, be in the form or to the effect following:—

Form of proxy.

THE OSMAN SHAHI MILLS, LIMITED.

I, _____, being a member of THE OSMAN
SHAH MILLS, LIMITED, hereby appoint _____ of
(or failing him _____ of
_____ or failing him _____ of
_____) as my proxy, to vote for me and on my behalf
at the (ordinary or extraordinary as the case may be) general meeting of
the Company to be held on the _____ day of _____ 19____
and at any adjournment thereof.

As witness my hand the _____ day of _____ 19____ .
Signed by the said _____ in the presence of _____

87. No member shall be entitled to be present, or to vote on any question, either personally or by proxy, or as proxy for another member, at any general meeting or upon a poll, or be reckoned in a quorum, whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member and no member shall be entitled to be present or to vote in respect of any share that he has acquired by the transfer at any Meeting held after the expiration of six months from the registration of the Company, unless he has been a duly registered holder of the share in respect of which he claims to vote for at least three months previously to the time fixed for holding the meeting at which he proposes to vote or (if such meeting be an adjourned meeting) to the time originally fixed for holding the same. This condition as to the time of being a registered holder shall not apply to a member who is registered as such by reason of his being the executor or administrator of a deceased shareholder who if living would have been entitled to vote.

No member entitled to vote &c. while call due to Company.

Resolution in writing of directors in certain cases, to be equivalent to resolution of general meeting

88. Any resolution passed by the directors, notice whereof shall be given to the members in the manner in which notices are hereinafter directed to be given, and which shall, within one month after it shall have been so passed be ratified and confirmed in writing by members entitled at a poll to three-fifths of the votes shall be as valid and effectual as a resolution of a general meeting but this clause shall not apply to a resolution for winding up the Company or to a resolution in respect of any matter which by the statutes or these presents ought to be dealt with by special or extraordinary resolution.

XIII.—DIRECTORS.

Number of directors,

89. Until otherwise determined by a general meeting the number of the directors shall not be less than three or more than ten.

List of directors,

90. The persons hereinafter named shall be the first directors that is to say Mr. Jamssetji Ardeshir Wadia, Mr. Purshotumdas Thakoredas, C.I.E., Mr. Mahomedbhoy Currimbhoy, Sir Fazulbhoy Currimbhoy, Kt., C.B.E., Mr. Ahmed Currimbhoy and Mr. F. E. Dinshaw.

Ex-Officio directors,

91. Messrs. Currimbhoy Ebrahim and Sons, Limited, shall be entitled to have two nominees on the directorate of the Company. The said nominees and their successors in office appointed under this clause shall be called the ex-officio directors. An ex-officio director shall be entitled to hold office until requested to retire by the said Messrs. Currimbhoy Ebrahim and Sons, Limited, and accordingly he shall not be bound to retire by rotation or be subject to clauses 101, 102, and 103 hereof. As and whenever an ex-officio director vacates office whether upon request as aforesaid or by death or otherwise the said Messrs. Currimbhoy Ebrahim and Sons, Limited, may appoint another director in his place. An ex-officio director shall not require any qualification. An ex-officio director may at any time by notice in writing to the Company resign his office. One of such ex-officio directors shall be the Chairman of Directors.

Appointment of alternate director.

91 A. Any trust deed for securing debentures or debenture stock may, if so arranged, provide for the appointment from time to time by the Trustees thereof or by the Debenture Holders of some person or persons nominated by such Trustees to be a Director or Directors of the Company,

* See footnote on page 7 regarding Agents.

† This resolution was passed and confirmed in extraordinary General Meeting held on the 10th and 29th March 1931, respectively in Hyderabad-Dn.

and may empower such Trustees from time to time to remove any directors so appointed, and may provide that a director or directors so appointed shall not be bound to hold any qualification shares and shall vacate office in any specified event and shall not vacate office in rotation, and shall not be removed by the Company, and may contain such ancillary provisions as may be arranged between the Company and the Trustees, and all such provisions shall have effect notwithstanding any of the other provisions herein contained.

92. A director who is out of India or about to go out of India may with the approval of the directors by notice in writing under his hand appoint any duly qualified person to be an Alternate Director during his absence and such appointment shall have effect and such appointee whilst he holds office as an Alternate Director shall be entitled to notice of meetings of the directors and to attend and vote thereat accordingly, but he shall, *ipso facto* vacate office, if and when the appointor returns to India or vacates office as a director or removes the appointee from office by notice in writing under his hand.

Appointment of
alternate director.

93. The directors shall have power at any time, and from time to time, to appoint any qualified person as a director either to fill a casual vacancy or as an addition to the board, but so that the total number of directors shall not at any time exceed the maximum number fixed as above. But any director so appointed shall hold office only until the next following ordinary general meeting of the Company and shall then be eligible for re-election.

Power for directors to appoint additional directors

94. The qualification of a director shall be the holding of ordinary shares in the Company of the nominal value of Rs. 5,000.

Qualification of directors.

95. A first director may act before acquiring his qualification but shall in any case acquire the same within one month from his appointment; and unless he shall do so he shall be deemed to have agreed to take the said shares from the Company and the same shall be forthwith allotted to him accordingly.

First director's qualification as to.

96. The remuneration of every director shall be such sum not exceeding Rs. 100 as the directors may fix for every meeting of the board attended by him and travelling allowance and reasonable staying expense between the place of his residence and place of meeting.

Remuneration of directors.

97. The continuing directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum above fixed

Directors may act notwithstanding vacancy.

the directors shall not, except for the purpose of filling vacancies, act so long as the number is below the minimum.

98. The office of a director shall *ipso facto* be vacated :—

When office of
director to be
vacated.

- (a) If he accepts or holds any other office under the Company except that of managing director of the Company but the position of trustee of a deed for securing debentures or of solicitor, or banker, or member of the agents' company is not to be considered an office.
- (b) If he becomes bankrupt or suspends payment or compounds with his creditors.
- (c) If he is found lunatic or becomes of unsound mind.
- (d) If he ceases to hold the required amount of shares to qualify him for office.
- (e) If he is absent from the meetings of the directors during a period of six calendar months without special leave of absence from the directors.
- (f) If by notice in writing to the Company he resigns his office.

Directors may
contract with com-
pany.

99. No director shall be disqualified by his office from contracting with the Company either as vendor, purchaser, or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any director shall be in any way interested, be avoided, nor shall any director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such director holding that office or the fiduciary relation thereby established, but it is declared that the nature of his interest must be disclosed by him at the meeting of the directors at which the contract or arrangement is determined on, if his interest then exists, or in any other case at the first meeting of the directors after the acquisition of his interest, and that no director shall, as a director vote in respect of any contract or arrangement in which he is so interested as aforesaid; and if he do so vote, his vote shall not be counted; but this prohibition shall not apply to any contract by or on behalf of the Company to give to the directors or any of them any security for advances or by way of indemnity, or to a settlement or set-off of cross claims. A general notice that a director is a member of any specified firm or company, and is to be regarded as interested in any subsequent transactions with such firm or company, shall be sufficient disclosure under this clause, and after such general

notice it shall not be necessary to give any special notice relating to any particular transaction with such firm or company.

100. A director of this company may be or become a director of any company promoted by this company or in which it may be interested as a vendor, shareholder or otherwise and no such director shall be accountable for any benefits received as director or member of such company.

Directors may be directors of companies promoted by the company.

XIV—ROTATION OF DIRECTORS.

101. At the ordinary general meeting to be held in the year 1922 and at every succeeding ordinary general meeting, two of the directors shall retire from office. A retiring director shall retain office until the dissolution of the meeting at which his successor is elected.

Rotation and retirement of directors.

102. The directors to retire at the ordinary meeting to be held in the year 1922 shall, unless the directors agree among themselves, be determined by lot; in every subsequent year the two directors who have been longest in office shall retire. As between two or more who have been in office an equal length of time, the directors to retire shall in default of agreement between them be determined by lot. The length of time a director has been in office shall be computed from his last election or appointment where he has previously vacated office. A retiring director shall be eligible for re-election.

Which directors to retire.

103. The company at any general meeting at which any directors retire in manner aforesaid shall fill up the vacated offices by electing a like number of persons to be directors and without notice in that behalf may fill up any other vacancies.

Meeting to fill up vacancies

104. If at any general meeting at which an election of directors ought to take place, the places of the retiring directors are not filled up, the retiring directors, or such of them as have not had their places filled up, shall, if willing, continue in office until the ordinary meeting in the next year, and so on from year to year until their places are filled up unless it shall be determined at such meeting on due notice to reduce the number of directors.

Retiring directors to remain in office till successors appointed.

105. The company in general meeting may from time to time increase or reduce the number of directors, and may alter their qualification and may also determine in what rotation such increased or reduced number is to go out of office.

Power of general meeting to increase or reduce number of directors.

106. The company may by extraordinary resolution remove any director before the expiration of his period of office, and appoint another qualified

Power to remove director by extraordinary resolution.

person in his stead; the person so appointed shall hold office during such time only as the director in whose place he is appointed would have held the same if he had not been removed.

When candidate
for office of director
must give notice

107. No person, not being a retiring director, shall, unless recommended by the directors for election be eligible for election to the office of director at any general meeting unless he, or some other member intending to propose him, has, at least seven clear days before the meeting, left at the office, a notice in writing duly signed signifying his candidature for the office, or the intention of such member to propose him.

XV—PROCEEDINGS OF DIRECTORS

Meeting of direc-
tor and quorum.

108. The directors may meet together for the despatch of business in Bombay or Hyderabad or any other place and adjourn and otherwise regulate their meetings and proceedings as they think fit and may determine the quorum necessary for the transaction of business. Until otherwise determined three directors shall be a quorum. (A director interested is to be counted in a quorum notwithstanding his interest).

Directors may
summon meeting.
How questions to
be decided.

109. A director may at any time convene a meeting of the directors. It shall not be necessary to give notice of a meeting of the directors to a director who is not in India. Questions arising at any meeting shall be decided by a majority of votes and in case of an equality of votes the chairman shall have a second or casting vote.

Chairman

110. If at any meeting the Chairman ex-officio is not present at the time appointed for holding the same, the directors present shall choose some one of their number to be chairman of such meeting.

Powers of quor-
um.

111. A meeting of the directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions by or under the articles of the company for the time being vested in or exercisable by the directors generally.

Power to appoint
committee and to
delegate.

112. The directors may delegate any of their powers to committees consisting of such member or members of their body as they think fit. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed upon it by the directors.

113. The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the directors so far as the same are applicable thereto and are not superseded by any regulations made by the directors under the last receding clause.

Proceedings of committee.

114. All acts done by any meeting of the directors or by a committee of directors or by any person acting as a director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such directors or persons acting as aforesaid or that they or any of them were disqualified be as valid as if every such person had been duly appointed and was qualified to be a director.

When acts of directors or committee valid notwithstanding defective appointment, &c.

115. A resolution in writing signed by three directors shall be as valid and effectual as if it had been passed at a meeting of the directors duly called and constituted.

Resolution without board meeting valid.

116. If any director being willing shall be called upon to perform extra services (which expression shall include work done by a director as a member of any committee formed by the directors or in relation to signing share certificates) or to make any special exertions in going or residing out of Bombay and Hyderabad or otherwise for any of the purposes of the company the company shall remunerate the director so doing either by a fixed sum or by a percentage of profits or otherwise as may be determined by the directors and such remuneration may be either in addition to or in substitution for his or their share in the remuneration above provided.

Remuneration for extra service.

XVI—MINUTES

117. The directors shall cause minutes to be duly entered in books provided for the purpose :—

Minutes to be made.

- (a) of the names of the directors present at each meeting of the directors and of any committee of directors.
- (b) of all orders made by the directors and committees of directors.
- (c) of all resolutions and proceedings of general meetings and of meetings of the directors and committee.

And any such minutes of any meeting of the directors or of any committee or of the company if purporting to be signed by the chairman of such meeting or by the chairman of the next succeeding meeting shall be receivable as prima facie evidence of the matters stated in such minutes.

XVII—POWERS OF DIRECTORS

General powers of
company vested in
directors.

118. The management of the business of the company shall be vested in the directors, who in addition to the powers and authorities by these presents or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not hereby or by statute expressly directed or required to be exercised or done by the Company in general meeting, but subject nevertheless to the provisions of the statutes and of these presents and to such regulations being not inconsistent with the aforesaid provisions as may from time to time be made by the company in general meeting, provided that no regulation so made shall invalidate any prior act of the directors which would have been valid, if such regulation had not been made.

Specific powers
given to directors.

119. Without prejudice to the general powers conferred by the last preceding clause and the other powers conferred by these presents, it is hereby expressly declared that the directors shall have the following powers that is to say powers :—

To pay preliminary
expenses.

(1) To pay the costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the company.

To purchase or
acquire property, &c.

(2) To purchase or otherwise acquire for the company any property rights or privileges which the company is authorised to acquire at such price and generally on such terms and conditions as they think fit.

To pay for property
in debentures,
&c.

(3) At their discretion to pay for any property-rights or privileges acquired by or otherwise rendered to the company either wholly or partially in cash or in shares, bonds, debentures or other securities of the company and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the company and its uncalled capital or not so charged.

To secure con-
tract by mortgage.

(4) To secure the fulfilment of any contracts or engagements entered into by the company by mortgage or charge of all or any of the property of the company and its uncalled capital for the time being or in such other manner as they may think fit.

- (5) Without prejudice to the rights of the agents herein mentioned to appoint and at their discretion remove or suspend such managers, secretaries, officers, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit. To appoint officers, etc.
- (6) To accept from any member on such terms and conditions as shall be agreed a surrender of his shares or any part thereof. To accept surrender of shares
- (7) To appoint any person or persons (whether incorporated or not), to accept and hold in trust for the company any property belonging to the company or in which it is interested or for any other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees. To appoint trustees
- (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the company or its officers or otherwise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the company. To bring and defend actions, &c
- (9) To refer any claims or demands by or against the company to arbitration and observe and perform the awards. To refer to arbitration.
- (10) To make and give receipts, releases and other discharges for money payable to the company and for the claims and demands of the company. To give receipts.
- (11) To determine who shall be entitled to sign on the company's behalf bills, notes, receipts, acceptances, indorsements, cheques, releases, contracts and documents. To authorize acceptance, &c.
- (12) From time to time to provide for the management of the affairs of the company outside Bombay and Hyderabad in such manner as they think fit and in particular to appoint any persons to be attorneys or agents of the company with such powers (including power to sub-delegate) and upon such terms as may be thought fit. To appoint attorneys,
- (13) To invest and deal with any of the moneys of the company not immediately required for the purposes thereof upon such securities (not being shares in this company) and in such manner as they To invest moneys

may think fit and from time to time to vary or realise such investments.

To give security
by way of indemnity.

- (14) To execute in the name and on behalf of the company in favour of any director or other person who may incur or be about to incur any personal liability for the benefit of the company such mortgages of the company's property (present and future) as they think fit and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed on.

To give percentages.

- (15) To give to any person employed by the company a commission on the profits of any particular business or transaction or a share in the general profits of the company and such commission or share of profits shall be treated as part of the working expenses of the company.

To establish
reserve fund.

- (16) Before recommending any dividend to set aside out of the profits of the company such sums as they think proper as a reserve fund to meet contingencies or for equalising dividends or for special dividends or for repairing, improving and maintaining any of the property of the company and for such other purposes as the directors shall in their absolute discretion think conducive to the interests of the company and to invest the several sums so set aside upon such investments (other than shares of the company) as they may think fit and from time to time to deal with and vary such investments and dispose of all or any part thereof for the benefit of the company and to divide the reserve fund into such special funds as they think fit with full power to employ the assets constituting the reserve fund in the business of the company and that without being bound to keep the same separate from the other assets.

May make bye-laws.

- (17) From time to time to make, vary and repeal bye-laws for the regulation of the business of the company, its officers and servants.

May make contracts, &c.

- (18) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the company.

XVIII.—MANAGEMENT OF BUSINESS.

120. Messrs. Currimbhoy Ebrahim and Sons, Limited, their successors and assigns shall be and they are hereby appointed the Agents of the Company for the period and upon the terms, provisions and conditions set out in the Agreement referred to in Article 3 hereof and hereto annexed and marked A such agreement may be modified in such manner as may be mutually agreed between the firm and the directors and the Board is hereby authorised to execute the said Agreement on behalf of the company.

Appointment of agents.

121. The general management of the business of the company subject to the control and supervision of the directors shall be in the Agents of the Company who shall have power and authority on behalf of the company subject to such control and supervision to make all purchases and sales and to enter into all contracts and to do all other things usually necessary or desirable in the management of the affairs of the company or in carrying out its objects and shall have power to appoint and employ in or for the purposes of the transaction and management of the affairs and business of the company or otherwise for the purposes thereof and from time to time remove or suspend such managers, engineers, clerks and other employees as they shall think proper with such powers and duties and upon such terms as to duration of employment remuneration or otherwise as they shall think fit.

General management in the hands of the agents.

122. Receipts signed by the Agents for any moneys or goods or property received in the usual course of business of the company or for any moneys, goods or property lent to or payable or belonging to the company shall be effectual discharges on behalf of and against the company for the moneys, funds or property which in such receipts shall be acknowledged to be received, and the person paying any such money shall not be bound to see to the application or be answerable for any misapplication thereof. The Agents shall also have powers to sign cheques on behalf of the company.

Receipts and cheques.

123. The Agents shall be authorised to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them and in particular from time to time to provide by the appointment of an attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.

Agents to have power to subdelegate.

124. Notwithstanding anything in these Articles contained the Agents are expressly allowed generally to work for and contract with the Company and especially to do the work of Agents to and Managers of the Company as

Agents may contract with and work for company, etc.

* See footnote on page 7 regarding Agents.

provided by the preceding Articles and by the Agreement referred to in Article 3 hereof and also to do any other work for the Company upon such terms and conditions and under such remuneration as may from time to time be agreed upon between them and the directors of the Company.

XIX.—THE SEAL.

The seal, its
custody and use.

125. The directors shall provide a common seal for the purposes of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof and the directors shall provide for the safe custody of the seal for the time being and the seal shall never be used except by the authority of the directors or a committee of the directors previously given. And every deed or other instrument to which the seal of the Company is required to be affixed shall unless the same is executed by a duly constituted attorney for the Company be signed by two directors at least in whose presence the seal shall have been affixed and countersigned by the Agents or some other person appointed by the directors for the purpose provided nevertheless that certificates or shares may be sealed by the Agents or such other person as aforesaid in the presence and under the signatures of one director only and of the Agents or such other person.

XX.—RETURNS.

Returns.

126. The directors shall duly comply with the provisions of the Hyderabad Companies' Act 1320 F. or any statutory modification thereof for the time being in force and in particular with the provisions in regard to the registration of the particulars of mortgages and charges affecting the property of the Company or created by it and to keeping a register of the directors and to sending to the Registrar of Companies an annual list of members and a summary of particulars relating thereto and notice of any consolidation or increase of capital and copies of special and extraordinary resolutions and a copy of the register of the directors and notifications of any changes therein.

XXI.—DIVIDENDS.

Dividends.

127. Subject as aforesaid the profits of the Company shall be divisible among the members in proportion to the capital paid up on the shares held by them respectively.

Capital paid up
in advance

128. Where capital is paid up in advance of calls upon the footing that the same shall carry interest such capital shall not whilst carrying interest confer a right to participate in profits.

129. The Company in General Meeting may declare a dividend to be paid to the members according to their rights and interests in the profits and may fix the time for payment.

Declaration of dividends

130. No larger dividend shall be declared than is recommended by the directors but the Company in General Meeting may declare a smaller dividend.

Restriction on amount of dividend.

131. No dividend shall be payable except out of the profits of the Company and no dividend shall carry interest as against the Company.

Dividend out of profits only and not to carry interest

132. The declaration of the directors as to the amount of the net profits of the Company shall be conclusive.

What to be deemed net profits.

133. The directors may from time to time pay to the members such interim dividends as in their judgment the position of the Company justifies.

Interim dividend.

134. The directors may retain any dividends on which the company has a lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.

Debts may be deducted.

135. Any General Meeting declaring a dividend may make a call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him and so that the call be made payable at the same time as the dividend and the dividend may if so arranged between the company and the member be set off against the call. The making of a call under this clause shall be deemed ordinary business of an ordinary general meeting which declares a dividend.

Dividend and call together.

136. Any general meeting declaring a dividend may direct payment of such dividend wholly or in part by the distribution of specific assets and in particular of paid up shares, debentures or debenture stock of the company or paid up shares, debentures or debenture stock of any other company or in any one or more of such ways and the directors shall give effect to such resolution and where any difficulty arises in regard to the distribution they may settle the same as they think expedient and in particular may issue fractional certificates and may fix the value for distribution of such specific assets or any part thereof and may determine that cash payments shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest any such specific assets in trustees upon such trusts for the person entitled to the dividend as may seem expedient to the directors. Where requisite a proper contract shall be filed in accordance

Dividend in specie.

with the provisions of the Hyderabad Companies Act 1320 W. and the directors may appoint any person to sign such contract on behalf of the persons entitled to the dividend and such appointment shall be effective.

Effect of transfer

137. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.

Retention in certain cases.

138. The directors may retain the dividends payable upon shares in respect of which any person is under the transmission clause entitled to become member of which any person under that clause is entitled to transfer until such person shall become a member in respect thereof or shall duly transfer the same.

Dividend to joint holders

139. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends and payments on account of dividends in respect of such shares.

Payment by post

140. Unless otherwise directed any dividend may be paid by cheque or warrant sent through the post to the registered address of the member entitled or in the case of joint holders to the registered address of that one whose name stands first on the register in respect of the joint holding and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.

Notice of dividends.

141. Notice of the declaration of any dividend whether interim or otherwise shall be given to the holders of registered shares in manner hereinafter provided.

Unclaimed dividend

142. All dividends unclaimed for one year after having been declared may be invested or otherwise made use of by the directors for the benefit of the company until claimed and all dividends unclaimed for three years after having been declared may be forfeited by the directors for the benefit of the company.

XXII.—ACCOUNTS.

Accounts to be kept.

143. The agents under the supervision of the directors shall cause true accounts to be kept of the sums of money received and expended by the company and the matters in respect of which such receipt and expenditure takes place and of the assets, credits and liabilities of the company.

Where to be kept.

144. The books of account shall be kept at the registered office of the company or at such other place or places as the directors think fit.

145. The directors shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations the accounts and books of the company or any of them shall be open to the inspection of the members (not being directors) and no member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the directors or by the company in general meeting.

Inspection by
members

146. At the ordinary meeting in the year 1922 and in each subsequent year the directors shall lay before the company a profit and loss account and balance sheet, containing a summary of the property and liabilities of the company made up to a date not more than four months before the meeting from the time when the last preceding account and balance sheet were made up or in the case of the first account and balance sheet from the incorporation of the company.

Annual account
and balance sheet.

147. Every such balance sheet shall be accompanied by a report of the directors as to the state and condition of the company and as to the amount which they recommend to be paid out of the profits by way of dividend or bonus to the members and the amount (if any) which they propose to carry to the reserve fund according to the provisions in that behalf hereinbefore contained and the account, report and balance sheet shall be signed by two directors and countersigned by the Agents.

Annual report of
directors

148. A printed copy of such account, balance sheet and report shall seven days previously to the meeting be served on the registered holders of shares in the manner in which notice are hereinafter directed to be served.

Copy to be sent
to members.

XXIII.—AUDIT

149. Once at least in every year the accounts of the company shall be examined and the correctness of the profit and loss account and balance sheet ascertained by one or more auditor or auditors.

Accounts to be
audited annually.

150. The provisions of the Hyderabad Companies Act 1320 F. as to auditors shall apply.

Audit provisions.

151. Every account of the directors when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof whenever any

When accounts
to be deemed
finally settled.

such error is discovered within the period the account shall forthwith be corrected and thenceforth shall be conclusive.

XXIV.—NOTICE.

How notices to be served on members.

152. A notice may be served by the company upon any member either personally or by sending it through the post in a prepaid envelope or wrapper addressed to such member at his registered place of address.

Members resident abroad

153. Each holder of registered shares whose registered place of address is not in British India may from time to time notify in writing to the company an address in British India which shall be deemed his registered place of address within the meaning of the last preceding clause.

Notice where no address.

154. As regards those members who have no registered place of address a notice posted up in the office shall be deemed to be well served on them at the expiration of 24 hours after it is so posted up.

When notice may be given by advertisement.

155. Any notice required to be given by the company to the members or any of them and not expressly provided for by these presents shall be sufficiently given if given by advertisement.

How to be advertised.

156. Any notice required to be or which may be given by advertisement shall be advertised once in two Bombay and Hyderabad daily newspapers.

Notice to joint holders.

157. All notices shall with respect to any registered shares to which persons are jointly entitled be given to whichever of such persons is named first in the register and notice so given shall be sufficient notice to all the holders of such shares.

When notice by post deemed to be served.

158. Any notice sent by post shall be deemed to have been served on the second day following that on which the envelope or wrapper containing the same is posted and in proving such service it shall be sufficient to prove that the envelope or wrapper containing the notice was properly addressed and put into the post office and a certificate in writing signed by the Agents, Manager, Secretary or other officer of the company that the envelope or wrapper containing the notice was so addressed shall be conclusive evidence thereof.

Transferees, &c., bound by prior notices

159. Every person who by operation of law, transfer or other means whatsoever shall become entitled to any share shall be bound by every notice in respect of such share which previously to his name and address being entered on the register shall be duly given to the person from whom he derives his title to such share.

160. Any notice or document delivered or sent by post to or left at the registered address of any member in pursuance of these presents shall, notwithstanding such member be then deceased and whether or not the company have notice of his decease, be deemed to have been duly served in respect of any registered shares, whether held solely or jointly with other persons by such member until some other persons be registered in his stead as the holder or joint holder thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such share.

Notice valid though member deceased

161. The signature to any notice to be given by the company may be written or printed.

How notice to be signed.

162. Where a given number of days' notice or notice extending over any other period is required to be given the day of service shall unless it is otherwise provided be counted in such number of days or other period.

How time to be counted.

XXV.—WINDING UP.

163. If the Company shall be wound up and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital such assets shall be distributed so that as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up or which ought to have been paid up at the commencement of the winding up, on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the members in proportion to the capital at the commencement of the winding-up paid up or which ought to have been paid up or the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

Distribution of assets.

164. (1) If the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of an extraordinary resolution, divide among the contributories, in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories or any of them, as the liquidators, with the like sanction, shall think fit.

Distribution of assets in specie.

(2) If thought expedient any such division may be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights, or may be excluded altogether or in part, but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby, shall have a right to dissent and ancillary rights as if such determination were a special resolution passed pursuant to Section 204 of the Hyderabad Companies Act 1320 F.

(3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise, any person entitled under such division to any of the said shares may, within ten days after the passing of the extraordinary resolution, by notice in writing, direct the liquidators to sell his proportion and pay him the net proceeds, and the liquidators shall, if practicable, act accordingly.

XXVI.—INDEMNITY.

Indemnity.

165. Every director, member of the Agents' firm, manager, auditor, secretary and other officer or servant of the Company shall be indemnified by the Company against, and it shall be the duty of the directors out of the fund of the Company to pay, all costs, losses and expenses which any such officer or servant may incur or become liable to by reason of any contract entered into, or act, or thing, done by him as such officer or servant, or in any way in the discharge of his duties; and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company, and have priority as between the members over all other claims.

Individual responsibility of directors.

166. No director, auditor or other officer of the Company shall be liable for the acts, receipts, neglects, or defaults, of any other director or officer or in joining any receipt or other act for conformity, or for any loss or expense happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the directors for or on behalf of the Company, or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency, or tortious act of any person with whom any moneys, securities or effects shall be deposited, or for any loss occasioned by any error of judgment, omission, default or oversight on his part, or for any other loss, damage or misfortune whatever which

shall happen in relation to the execution of the duties of his office, or in relation thereto, unless the same happen through his own dishonesty.

XXVII.—SECRECY CLAUSE.

167. No member shall be entitled to visit or inspect the Company's factories without the permission of the directors or the agents or to require discovery of any information respecting any detail of the Company's trading or any matter in the nature of a trade secret, mystery or trade or secret process which may relate to the conduct of the business of the Company and which in the opinion of the directors or the Agents it may be inexpedient in the interest of the members of the Company to communicate to the public.

Secrecy clause

Names of Subscribers.	Address and Description.	Witnesses
Jamsetji Ardeshir Wadia	Malabar Hill, (50) Fifty only. Bombay.	
Purshotamdas Thakordas	Malabar Hill, Fifty only. Bombay.	
Mahomedbhoy Currimbhoy	Warden Road, Fifty only. Bombay.	
Fazulbhoy Currimbhoy	Peddar Road, Fifty only. Bombay.	
Ahmed Currimbhoy	Cuffe Parade, Fifty only. Bombay.	
F. E. Dinshaw	Solicitor, Pawai Road, Fifty only. Bombay.	
Habib Currimbhoy	Cooperage, Fifty only. Bombay.	

Dated this 4th day of July, 1922.

Witness to the above signatures:—

HORMUSJI J. BHARUCHA,
RAMJI MAGANLAL.

AGREEMENT A†

Referred to in the foregoing Articles of Association

ARTICLES OF AGREEMENT made and entered into this 14th day of August 1922 between The Osman Shahi Mills, Limited, a joint-stock Company registered under the Hyderabad Companies Act, 1320 F. and having its registered office situate at Hyderabad (hereinafter called the said Company which expression where the context so admits shall include its successors and assigns), of the one part and The Currimbhoy Ebrahim and Sons, Limited, a private Company registered under the Indian Companies Act 1913 and having its registered office in Bombay (hereinafter called the Agent which expression where the context so admits shall include its successors and assigns) of the other part: WHEREAS in consideration of the Agent having promoted and brought about the formation of the said Company it was agreed that the Agent should be the Agent of the said Company and by the Articles of Association of the said Company the Directors of the said Company are authorized to execute or cause to be executed on behalf of the said Company this present agreement: AND WHEREAS the said Company was registered on the 13th day of July 1922 NOW THESE PRESENTS WITNESS and it is hereby mutually agreed by and between the parties hereto on behalf of themselves, their successors and assigns in manner following, that is to say:

1. The Currimbhoy Ebrahim and Sons, Limited and its successors and assigns shall be the Secretaries, Treasurers and Agents of the said Company for a period of 40 years from the date of the registration of the said Company and thereafter until the Agent shall resign or be removed from the office by a special resolution of the said Company.

2. The remuneration of the Agent shall be as follows:—

- (a) A commission of 12 1/2 per cent. per annum on the annual profits of the said Company after making all proper allowances and deductions from revenue for working expenses chargeable against profits provided however, that if in any year no such commission in respect of any mill belonging to the said Company is earned, or it falls short of Rs. 2,500 per month in respect of such Mill, the said Company will pay to the Agent a sum sufficient to make up the

* See footnote on page 7 regarding Agents.

† This agreement has been superseded by the Agreement with the Industrial Trust Fund, H. B. H. the Nizam's Government, printed immediately hereafter.

minimum remuneration of Rs. 2,500 per month in respect of each such mill on account of such commission.

- (b) In calculating the profits of the said Company for the purposes of the last preceding clause, no deduction shall be made from profits for income tax, super tax, or excess profit tax, or for depreciation or in respect of any amount carried to the various accounts referred to in sub-clause 16 of clause 119 of the Articles of Association nor shall any deduction be made for expenditure on capital account.
- (c) The said commission shall be exclusive of and shall not include any remuneration, salaries or wages which shall be payable to the bankers, solicitors, engineers, commission agents, dealers, brokers, officers, clerks, servants, workmen and other employees, who may be employed by the agent for or on behalf of the said Company, or for carrying on and conducting the business of the said Company, nor any rent, cost of postage, printing and stationery, or other office expense, nor any travelling charges and expenses incurred by the Agent in connection with the business of the said Company, all of which remuneration, salaries, wages, costs, charges and expenses shall be paid by the said Company.
- (d) Such commission shall be deemed to have commenced to be payable from the date on which the foundation of the first building of the Company is laid and the commission and minimum remuneration in respect of each subsequently started Mill shall commence to be payable from the date on which the foundation of the first building of such Mill is laid and shall be due and be paid to the Agent yearly on the 1st day of April in each and every year during the continuance of this agreement.

3. If the said Company shall at any time hereafter carry on any business other than that of spinning cotton or manufacturing yarn or cloths, the Agent shall be paid such further remuneration as to the Directors of the said Company may seem meet. If the Agent shall at any time hereafter act as muddam, broker, or agent of the said Company for selling cloth, it shall be paid such additional remuneration as shall be agreed to between it and the Directors.

4. The Agent hereby covenants and agrees with the said Company that it will during the said term be and act as the Agent of the said Company for the remuneration hereinbefore mentioned and upon and subject to the

terms and conditions herein contained and will use its best endeavours to promote the interests and business of the said Company and will not divulge or make known any of the secrets or affairs thereof.

5. Subject to the control of the Directors, the Agent shall have the general conduct and management of the business and affairs of the said Company and shall have power on behalf of the said Company to acquire by purchase, lease or otherwise, lands, tenements and other buildings and to erect, maintain alter and extend factories, warehouses, engine-houses and other buildings; and to purchase, pay for, sell, re-sell, and re-purchase in India and elsewhere machinery, engines, plant, raw cotton, jute, wool and other fibres and produce stores and other materials and to manufacture yarn, cloth and other fabrics and to sell the same either in Bombay, Hyderabad or elsewhere and either on credit or for cash for present or future delivery, and to execute, become party to and where necessary, to cause to be registered all deeds, agreements contracts, receipts, and other documents and to insure the property of the said Company for such purposes and to such extent and in such manner as it may think proper, and to institute, conduct, defend, compromise, refer to arbitration and abandon legal and other proceedings, claims and disputes in which the said Company is concerned and to appoint and employ, discharge, re-employ, or re-place, engineers, managers, retail commission dealers, muccadums, brokers, clerks, mechanics, workmen and other officers and servants, with such powers and duties and upon such terms as to duration of office, remuneration or otherwise as it may think fit; and to draw, accept, endorse, negotiate, and sell bills of exchange and hundies, with or without security and to receive and give receipts for all moneys payable or to be received by the said Company and to draw cheques against the moneys of the said Company and generally to make all such arrangements and do all such acts and things on behalf of the said Company, its successors and assigns as may be necessary or expedient and as are not specifically reserved to be done by the Directors.

6. The Agents shall have charge and custody of all the property, books of accounts, papers, documents and effects belonging to the said Company wheresoever situate and being.

7. The Agent shall keep proper and complete books of account of the dealings and working of the said Company and shall prepare, and keep or cause to be prepared and kept therein, complete accounts of all purchases and sales and of all receipts and disbursements made, received and paid by the Agent for

and on behalf of the said Company and the Agent shall also prepare and keep, or cause to be prepared and kept, such further and other accounts, as the said Company or the directors shall from time to time direct.

8. The Agents shall be at liberty to retain, reimburse and pay itself out of the moneys of the said Company, all preliminary charges and expenses, legal or otherwise of and incidental to the formation of the said Company and all salaries and wages of servants or workmen and all moneys from time to time expended by it on behalf of the said Company and all sums due to the Agent for commission or otherwise.

9. The Agent may regulate and conduct its proceedings as such, in such manner as it may from time to time determine, and may delegate all or any of its powers, authorities and discretions, as Secretaries, Treasurers and Agents of the said Company, to such person and on such terms and conditions as it thinks fit, subject to the approval of the Board of Directors and may revoke or vary any such delegation; and until otherwise determined by the Agent, it shall be deemed to have delegated all the powers, authorities and discretions vested in it by this Agreement or otherwise to the Directors for the time being of The Currimbhoy Ebrahim and Sons, Limited.*

10. The Agent shall be entitled to have two nominees on the directorate of the said Company. The said nominees and their successors in office appointed under this clause shall be called ex-officio directors. An ex-officio director shall be entitled to hold office until requested to retire by the Agent and accordingly he shall not be bound to retire by rotation or be subject to clauses 101, 102 and 103 of the said Company's Articles of Association. As and whenever an ex-officio director vacates office, whether upon request as aforesaid, or by death or otherwise, the Agent may appoint another director in his place. An ex-officio director shall not require any qualification. An ex-officio director may at any time by notice in writing to the said Company resign his office. One of such ex-officio director shall be the chairman of the directors.

11. It shall be lawful for the Agent to assign this agreement and its rights hereunder to any person or persons, firm or company having authority, by its constitution to become bound by the obligations undertaken by the Agent hereunder and upon such assignment being made and notified to the said Company, the said Company shall be bound to recognise the person or

persons or firm or Company aforesaid as the Secretaries, Treasurers and Agents of the said Company in like manner as if the name of such person or persons, firm or Company had appeared in these presents in lieu of the Agent and as if such person or persons, firm or company had entered into this agreement with the said company and the said company shall forthwith upon demand by the Agent, enter into an agreement with the person or persons, firm or company aforesaid appointing such person or persons, firm or company the Secretaries, Treasurers and Agents of the said company for the then residue of the terms outstanding under this agreement and with the like powers and authorities remuneration emoluments and subject to the like terms and conditions as are herein contained.

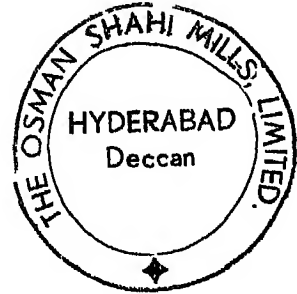
12. It shall be lawful for the Agent to assign the whole or any portion of its earnings as aforesaid without thereby in any way affecting its appointment as such Secretaries, Treasurers and Agents as aforesaid.

13. In the event of the said Company being wound up at any time for the purpose and with the object of transferring its business to another company, the said Company shall make it one of the terms and stipulations of its agreement for the transfer of its property and business to such other Company as aforesaid, that such other Company shall appoint the Agent to be the Secretaries, Treasurers and Agents of such new Company and with the like powers and authorities to the Agent and on the same terms and conditions as to remuneration emoluments and otherwise as are herein contained; and it is hereby expressly agreed and declared that save and except with such condition and stipulation as one of the terms of the sale and transfer thereof, the said Company will not sell and transfer its business to any other Company.

14. In the event of the said Company being wound up either voluntarily or by and under the directions of the Court, or under the supervision of the Court or the removal of the Agent from the office of Secretaries, Treasurers and Agents of the Company, the Agent shall receive from the said Company or the liquidators thereof as compensation for the loss of its employment, as such Secretaries, Treasurers and Agents as aforesaid, a sum of money equal to ten times the commission earned by the Agent as such Secretaries, Treasurers and Agents as aforesaid, for the year preceding the resolution or order (as the case may be) for the winding-up of the said Company.

IN WITNESS WHEREOF the respective common seals of the said Company and the Agent have been hereunto duly affixed the day and year first above written.

The Common seal of the Osman Shahi Mills, Limited was hereunto duly affixed pursuant to a resolution of the Directors passed at a meeting of the Board held on the 14th day of August 1922 in the presence of

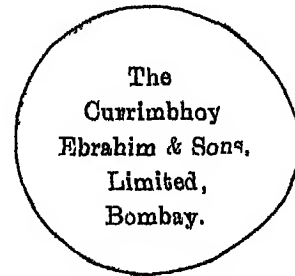


Jamsetji Ardasscer Wadia,
F. E. Dinshaw,
Directors.

Countersigned by J. K. Dadachanji as
the person specially authorised by the
Directors for the purpose

J. K. DADACHANJI.

The Common Seal of the Currimbhoy Ebrahim and Sons, Limited was hereunto affixed pursuant to a resolution of the Directors dated the 14th day of August 1922 in the presence of



Fazulbhoy Currimbhoy }
Habib Currimbhoy } Directors.

Witness to the above signature :—

Ramji Maganlal.

MANAGING AGENCY AGREEMENT

Between the Company and the Industrial Trust Fund, H. E. H. the
Nizam's Government

(See footnotes on page 7 and page 43 heretofore)

ARTICLES OF AGREEMENT made and entered into this Twelfth day of April 1934 Between THE OSMANSHAHI MILLS, LIMITED, a Joint Stock Company registered under the Companies Act of the State of Hyderabad and having its registered office situate at Hyderabad, Deccan (hereinafter called "the COMPANY" which expression shall where the context so requires or permits include its successors and assigns) of the ONE PART and Sir Akbar Hydari Nawab Hyder Nawaz Jung Bahadur, Sir Richard Chenevix Trench and Nawab Akil Jung Bahadur, all of Hyderabad aforesaid the present Trustees of the Industrial Trust Fund of the Hyderabad State (hereinafter called "the AGENTS" which expression shall where the context so requires or permits include the said Trustees and the survivors or survivor of them and the executors and administrators of such survivor and other the Trustees or Trustee for the time being of the said Industrial Trust Fund their and his assigns) of the OTHER PART.

WHEREAS by an Agreement dated the 14th day of August 1922 and expressed to be made between the Company of the One Part and Currimbhoy Ebrahim & Sons, Ltd., of the Other Part Currimbhoy & Sons, Ltd., were appointed Secretaries, Treasurers and Agents of the Company, for a period of 40 years from the date of registration of the COMPANY and thereafter until they should resign or be removed from the office by a special resolution of the COMPANY and with the powers and authorities and for the remuneration and subject to the terms and conditions as therein mentioned AND WHEREAS the COMPANY was registered on the 15th day of July 1922 AND WHEREAS Currimbhoy Ebrahim & Sons, Ltd., with the consent of the Board of Directors of the COMPANY resigned from the office of Secretaries, Treasurers and Agents of the COMPANY on the 25th day of September 1933 AND WHEREAS at an Extraordinary General Meeting of the shareholders of the COMPANY duly convened and held on the 7th day of January 1934 it was duly resolved that the said Trustees be and they were thereby appointed Managing Agents of the COMPANY for the unexpired period of the hereinbefore recited Agreement of the 14th day of August 1922 and otherwise upon the same terms and subject to the same conditions as in the said

Agreement contained and that the Board of Directors of the COMPANY be and they thereby were authorised to enter into the necessary agreement for the purpose and to affix the Seal of the COMPANY thereto AND WHEREAS at an Extraordinary General Meeting of the Shareholders of the COMPANY held at the Registered Office of the said COMPANY on 23rd February 1934 the aforesaid resolution was duly ratified and confirmed.

NOW THESE PRESENTS WITNESS and it is hereby mutually agreed by and between the parties hereto as follows —

1. The AGENTS shall be the Secretaries, Treasurers and Agents of the COMPANY for a period which shall be deemed to have commenced on the 7th day of January 1934 and shall expire on the 15th day of July 1962 and thereafter until the AGENTS shall resign or be removed from the office by a special resolution of the COMPANY.

2. The remuneration of the AGENTS shall be as follows :—

- (a) A commission of 12½ per cent. per annum on the annual profits of the COMPANY after making all proper allowances and deductions from revenue for working expenses chargeable against profits; PROVIDED however, that if any year such commission falls short of Rs. 30,000 (Thirty Thousand) the COMPANY will pay to the AGENTS a sum sufficient to make up the minimum remuneration of Rs. 30,000 per annum in respect of such commission.
- (b) In calculating the profits of the COMPANY for the purpose of the last preceding clause, no deduction shall be made from profits for income-tax, super-tax, or excess profit tax, or for depreciation or in respect of any amount carried to the various accounts referred to in sub-clause (16) of clause 119 of the Articles of Association of the COMPANY nor shall any deduction be made for expenditure on capital account.
- (c) The said commission shall be exclusive of and shall not include any remuneration, salaries or wages which shall be payable to the bankers, Solicitors, Engineers, Commission Agents, dealers, brokers, officers, clerks, servants, workmen and other employees, who may be employed by the AGENTS for or on behalf of the COMPANY, or for

carrying on and conducting the business of the COMPANY, nor any rent, cost of postage, printing and stationery, or other office expense, nor any travelling charges and expenses incurred by the AGENTS in connection with the business of the COMPANY, all of which remuneration, salaries, wages, costs, charges and expenses shall be paid by the COMPANY.

- (d) Such commission shall be deemed to have commenced to be payable from the 25th day of September 1933 and shall be due and be paid to the AGENTS yearly on the 1st day of April in each and every year during the continuance of this Agreement.

3. If the COMPANY shall at any time hereafter carry on any business other than that of spinning cotton or manufacturing yarn or cloth, the AGENTS shall be paid such further remuneration as to the Directors of the COMPANY may seem fit. If the AGENTS shall at any time hereafter act as muccadums, brokers or agents of the COMPANY for selling cloth they shall be paid such additional remuneration as shall be agreed between the AGENTS and the Board of the Directors of the COMPANY.

4. The AGENTS hereby covenant and agree with the COMPANY that they will during the said term be and act as the agents of the COMPANY for the remuneration hereinbefore mentioned and upon and subject to the terms and conditions herein contained and will use their best endeavours to promote the interests and business of the COMPANY and will not divulge or make known any of the secrets or affairs thereof.

5. Subject to the control of the Directors of the COMPANY the AGENTS shall have the general conduct and management of the business and affairs of the COMPANY and shall have power on behalf of the COMPANY to acquire by purchase, lease or otherwise, lands, tenements and other buildings and to erect, maintain, alter and extend factories, warehouses, engine houses and other buildings, and to purchase, pay for, sell, re-sell, and re-purchase in India and elsewhere machinery, engines, plant, raw cotton, jute, wool and other fibres and produce stores and other materials and to manufacture yarn, cloth and other fabrics and to sell the same either in Bombay, Hyderabad or elsewhere and either on credit or for cash or for present and future delivery, and to execute, become party to and where necessary to cause to be registered all deeds, agreements, contracts, receipts

and other documents and to insure the property of the COMPANY for such purposes and to such extent and in such manner as they may think proper ; and to institute, conduct, defend, compromise, refer to arbitration and abandon legal and other proceedings, claims and disputes in which the COMPANY is concerned and to appoint and employ, discharge, re-employ or replace engineers, managers, retail commission dealers, muccadums, brokers, clerks, mechanics, workmen and other officers and servants, with such powers and duties and upon such terms as to duration of office, remuneration or otherwise as they may think fit and to draw, accept endorse, negotiate and sell Bills of Exchange and hundis with or without security and to receive and give receipts for all moneys payable or to be received by the COMPANY and to draw cheques against the monies of the COMPANY and generally to make all such arrangements and do all such acts and things on behalf of the COMPANY as may be necessary or expedient and as are not specially reserved to be done by the Board of Directors of the Company.

6. The AGENTS shall have the charge and custody of all the property, books of accounts, papers, documents and effects belonging to the COMPANY wheresoever situate and being.

7. The AGENTS shall keep proper and complete books of account of the dealings and working of the COMPANY and shall prepare and keep or cause to be prepared and kept therein, complete accounts of all purchases and sales and of all receipts and disbursements made, received and paid by the AGENTS for and on behalf of the COMPANY and the AGENTS shall also prepare and keep or cause to be prepared and kept such further and other accounts, as the COMPANY or the Board of Directors of the COMPANY shall from time to time direct.

8. The AGENTS shall be at liberty to retain, reimburse and pay themselves out of the moneys of the COMPANY all salaries and wages of servants or workmen and all moneys from time to time expended by them on behalf of the COMPANY and all sums due to the AGENTS for commission or otherwise.

9. The Agents may regulate and conduct their proceedings as such, in such manner as they may from time to time determine and may delegate all or any of their powers, authorities and discretions, as Secretaries, Treasurers and Agents of the COMPANY to such person or persons and on such terms and conditions as they may think fit, subject to the approval of the Board of Directors of the COMPANY and may revoke or vary any such

delegation; and until otherwise determined by the AGENTS they shall be deemed to have delegated all the powers, authorities and discretions vested in them by this Agreement or otherwise to the Trustees for the time being of The Industrial Trust Fund.

10. The AGENTS shall be entitled to have two nominees on the Board of Directors of the COMPANY. The said nominees and their successors in office appointed under this clause shall be called Ex-officio Directors. An Ex-officio director shall be entitled to hold office until requested to retire by the AGENTS and accordingly he shall not be bound to retire by rotation or be subject to clauses 101, 102 and 103 of the Articles of Association of the Company. As and whenever an ex-officio director vacates office, whether upon request as aforesaid, or by death or otherwise, the AGENTS may nominate another person as director in his place. An ex-officio director shall not require any qualification. An Ex-officio director may at any time by notice in writing to the COMPANY resign his office. One of such Ex-officio Directors shall be the Chairman of the Board of Directors of the COMPANY.

11. It shall be lawful for the AGENTS to assign this Agreement and their rights hereunder to any person or persons, firm or company having authority by its constitution to become bound by the obligations undertaken by the AGENTS hereunder, and upon such assignment being made and notified to the COMPANY, the COMPANY shall be bound to recognise the person or persons or firm or company aforesaid as the Secretaries, Treasurers and Agents of the COMPANY in like manner as if the name of such person or persons, firm or company had appeared in these presents in lieu of the AGENTS and if such person or persons, firm or company had entered into this agreement with the COMPANY, and the COMPANY shall forthwith upon demand by the AGENTS, enter into an agreement with the person or persons, firm or company aforesaid appointing such person or persons, firm or company as the Secretaries, Treasurers and Agents of the COMPANY for the then residue of the term outstanding under this agreement and with the like powers and authorities, remuneration, emoluments and subject to the like terms and conditions as are herein contained.

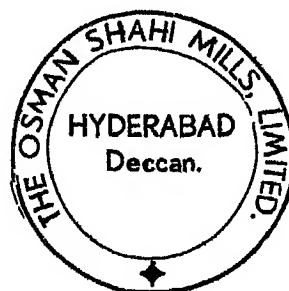
12. It shall be lawful for the AGENTS to assign the whole or any portion of their earnings as aforesaid without thereby in any way affecting their appointment as such Secretaries, Treasurers and Agents, as aforesaid.

13. In the event of the COMPANY being wound up at any time for the purpose and with the object of transferring its business to another company, the COMPANY shall make it one of the terms and stipulations of its agreement for the transfer of its property and business to such other company as aforesaid, that such other company shall appoint the AGENTS to be Secretaries, Treasurers and Agents of such new company and with the like powers and authorities to the AGENTS and on the same terms and conditions as to remuneration, emoluments and otherwise as are herein contained; AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED that save and except with such condition and stipulation as one of the terms of the sale and transfer thereof, the COMPANY will not sell and transfer its business to any other company.

14. In the event of the COMPANY being wound up either voluntarily or by and under the directions of the Court, or under the supervision of the court, or the removal of the AGENTS from the office of Secretaries, Treasurers and Agents of the COMPANY, the AGENTS shall receive from the COMPANY or the Liquidators thereof as compensation for the loss of their employment as such Secretaries, Treasurers and Agents as aforesaid, a sum of money equal to ten times the commission earned by the AGENTS as such Secretaries, Treasurers and Agents as aforesaid, for the year preceding the resolution or order (as the case may be) for the winding-up of the COMPANY.

IN WITNESS WHEREOF THE COMMON SEAL OF THE COMPANY hath been hereunto affixed and the said Trustees have set their respective hands the day and year first above written.

The Common Seal of the Osmanshahi Mills Limited was hereunto duly affixed pursuant to a resolution of the Directors passed at a meeting of the Board held on the 22nd day of March 1934 in the presence of :



(1) Sd. Vinayak,
Accountant, The Osmanshahi
Mills, Ltd., Hyderabad, Deccan.

Sd. Ahmed Alladin

(2) Sd. P. V. Sunder Rao,
Clerk, The Osmanshahi Mills
Ltd., Hyderabad-Deccan.

Sd. Mohanlal Malani,
Directors.

Countersigned by Nadirsha }
 B. Chenoy as the person }
 specially authorised by }
 the Directors for the }
 purpose. }

Sd. Nadirsha B. Chenoy,
 Director.

Signed and delivered by the }
 within named Trustees. }

Sd. A. Hydari N. Jung.

Sd. Akeel Jung.

Sd. R. Chenevix Trench.

In the presence of:-

(1) Sd. C. B. Taraporvala,

Asst. Financial Secretary,

H. E. H. the Nizam's Govt.,

Hyderabad, Deccan.

(2) Sd. S. M. Mehdi,

Secretary,

Executive Council.

